

Letter 71

PAONIA RANGER DISTRICT
ACTION DATE

JUN 23 2003

DISTRICT RANGER _____
MINERALS _____
LANDS/ENG _____
RANGE _____
WILDLIFE _____
GDA _____
DBM/DBM ASST _____
LEO _____
TIMBER _____

June 23, 2003

Project Manager
GEC Exploration Drilling Project
P.O. Box 1030
Paonia, CO 81428

RE: Comments on EA for Gunnison Energy
Corporation's Proposed Exploratory Gas
Drilling Project

To Whom It May Concern:

The Board of Delta County Commissioners (Board) has reviewed the Environmental Assessment (EA) for Gunnison Energy Corporation's Proposed Exploratory Gas Drilling Project with staff and wishes to submit the following comments relative to the off-site impacts of the proposed exploratory activities.

Section 3.4 Water Resources

71-1

The Board is supportive of the potential mitigation measures WR-5, WR-6, and WR-12 and would encourage the federal agencies to require such measures as part of the Record of Decision. Protection of the water resources that provide both domestic and irrigation water for Delta County residents, farmers and ranchers is paramount. The Board believes it is beneficial to use every opportunity available to monitor and obtain information about our water resources to ensure their protection.

71-2

The Board is concerned about the siting exceptions proposed for each site within 500 feet of a water body. Specifically, allowing Leon Lake #5 to be drilled within 97 feet of an unnamed stream and within 500 feet of other intermittent streams near the site. The potential impact to domestic watersheds and consequently the off-site use of the impacted water is greatly increased as the result of the proposed exceptions. The Board recommends that the exceptions not be granted, but, if warranted, then place site specific conditions on those sites and access activities to assure minimal off-site impacts. WR-4 addresses the general mitigation of impacts due to surface activities, but site specific requirements and sedimentation devices should be an integral part of any approval of an exception.

Section 3.8 Land Use and Recreation

71-3

The Board supports R-2 specifying the re-routing of the Coal Gulch/Pilot Knob ATV trail. The continued availability of the ATV trail during the drilling and completion of the wells is crucial for motorized access to the Thousand Acre Flats and the Pilot Knob areas.

Letter 71 Continued

Project Manager: GEC Exploration Drilling Project
Page 2.

Section 3-10 Visual Resources

71-4

The Board would like to ensure that any structures that will be left on site during the well testing and monitoring phases be painted so as to blend in with the surrounding landscape and minimize the off-site visual impacts.

Section 3.12 Transportation

71-5

At the time scoping was done for this project, the Board was not aware of the proposed haul routes for this exploratory project and had presumed that the haul route for produced water for offsite disposal and other truck traffic would be over Grand Mesa. The Board wants to re-emphasize the cumulative impact of increased traffic on and through the Town of Cedaredge and at the intersection of SH 92 and SH 50 in the City of Delta as a result of this project as well as the exploratory wells on private property in the Surface Creek and North Fork areas. Prohibiting the use of SH 65 north over Grand Mesa forces the proposed and future (if wells are successful) heavy truck traffic southward through Cedaredge and Delta and their street intersections. SH 65 in Cedaredge passes by an elementary school and must also traverse uphill or downhill through the only stop light in town. In the City of Delta, given the increased train traffic of 4 to 6 loaded trains a day from the North Fork, existing traffic is often backed up 3 to 4 blocks on Main Street when a train is passing through the SH 50 and SH 92 railroad crossing. Although, the Board recognizes the agency's desire to minimize transportation impacts on tourism and recreation use associated with the Grand Mesa Scenic Byway and Grand Mesa National Forest, prohibiting the option to use SH 65 over Grand Mesa will increase the associated safety and related impacts on both the Cedaredge and Delta communities.

71-6

The Board appreciates the agencies' efforts to protect the County's interests in local county roads with the potential mitigation measures T-2 and T-3 and strongly recommends they be part of the Record of Decision. Delta County has conducted some core drillings of the county roads proposed as haul routes to determine present conditions and will be video-taping road segments to establish a baseline condition before drilling begins. The Board would be willing to provide any road condition information it has to assist in the proposed pre-construction road condition assessment. In addition, the Board would certainly appreciate the requirement to develop an agreement between the project applicant and the county for unexpected road damage and maintenance.

71-7

Finally, in regard to T-12 and the requirement that all new roads be signed and equipped with a lockable gate, the Board would like to ensure that emergency responders and emergency equipment be able to access locked gates in the event of an emergency.

Section 3.14 Hazardous Materials and Solid Waste

71-8

In the event of a hazardous materials spill, the Board wants assurance that nearby municipalities, the County Emergency Preparedness Coordinator, the County Health Department and local law enforcement agencies are included in any required incident notifications and clean-up reports for such spills. The inclusion of these entities could be by directive through specific conditions, such as HZ-3 or in the Emergency Preparedness Plan.

Letter 71 Continued

Project Manager: GEC Exploration Drilling Project
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Section 3.15 Health and Safety

71-9

Section 3.15.5 refers to emergency coordination. The Board wants to ensure any coordination, discussions and efforts would include local fire district personnel, County Emergency Preparedness Coordinator and all local law enforcement agencies.

71-10

In conclusion, the Board cannot reiterate enough its position that federal agencies should be able to stipulate mitigation measures in the Record of Decision to minimize the off-site impacts of development activities on federal lands that impact local communities, their resources and their infrastructure systems

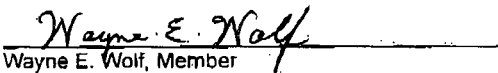
Thank you for the opportunity to comment on this project.

Sincerely,

BOARD OF DELTA COUNTY COMMISSIONERS


Ted H. Hayden, Chairperson


Lela J. "Jan" McCracken, Vice Chairperson


Wayne E. Wolf, Member

CC: Kathy Welt, Gunnison Energy Corp.

Letter 72



DELTA COUNTY, COLORADO
DEPARTMENT OF HEALTH & HUMAN SERVICES
ENVIRONMENTAL HEALTH DIVISION
255 West 6th Street - Delta - Colorado
Phone: (970) 874-2165 Fax: (970) 874-2165

PAONIA RANGER DISTRICT
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June 23, 2003

Project Manager
GEC Exploration Drilling Project
P.O. Box 1030
Paonia, CO 81428

RE: Comments on EA for Gunnison Energy Corporation's Proposed Exploratory Gas Drilling Project

To Whom It May Concern:

This department has reviewed the Environmental Assessment for Gunnison Energy Corporation's Proposed Exploratory Gas Drilling Project plan and offers the following comments:

- 72-1 [1. On page 1.5 Sec. 1.4 & pg. 2-34 Sec. 2.1.2.12 of the document, variances are suggested from the setback from watercourses. If the wells must be located less than the required setback distances, we suggest that there be provided some mitigation efforts for protection of water courses such as a secondary berm or oil containment booms to contain spills or run off;
- 72-2 [2. This department desires notification in the event of a spill or haz-mat incident pg. 2-25 Sec. 2.1.2.7;
- 72-3 [3. Pg. 2-25, Sec. 2.1.2.7 discusses water evaporated in the reserve pit. Free board space in the pit to contain water during storm event and spring melt off must be maintained;
- 72-4 [4. The SPCC Plan, Spill Prevention, Control, and Countermeasure Plan, along with numerous other plans are referenced throughout the EA. These documents were not a part of this publication. Are these documents available for review?

72-5 [This document provides a good thorough analysis and plan. Our main concern is that should the project be approved that there be sufficient resources available to ensure that the elements of the plan are implemented and enforced. Examples previously encountered include: during the drilling stage and development stage, man camps will spring up with camper trailer and RVs that do not have proper sanitation disposal facilities as evidenced by overflowing unapproved cesspits; overflowing reserve pits have been discovered in other similar development projects in the Muddy Creek area; other environmentally damaging disturbances have also been discovered. The EA report does not assess the resources of the various agencies to police this project.

Thank you for the opportunity to comment on this EA.

Yours truly,

Kenneth Nordstrom
Director of Environmental Health

Letter 73

FROM OXBOW POWER CORPORATION

(MON) 06. 23' 03 07:56/ST. 07:55/NO. 3561232509 P 2



G U N N I S O N E N E R G Y C O R P O R A T I O N

1601 Forum Place
West Palm Beach, FL 33401

June 20, 2003

Sent Via Federal Express

Ms. Liane Mattson
Grand Mesa, Uncompahgre & Gunnison
National Forest
North Rio Grand Avenue, Box 1030\
Paonia, CO 81428

Dear Liane:

Gunnison Energy Corporation has reviewed the Environmental Assessment (EA) on the proposed eight (8) exploration wells. The EA is very comprehensive and on par with the analysis often expected in an Environmental Impact Statement (EIS).

The attachment to this letter presents comments that pertain to the text as well as comments on potential mitigation of impacts. Many of the potential mitigations discussed do not mitigate the impacts as the EA shows there were no impacts to be mitigated. One should also note that these "potential mitigations," if taken together, create considerable constraints on the operator in terms of timing that are unnecessarily restrictive and do not add to additional environmental protection.

If you have any questions or require clarifications on any of the items presented, please feel free to contact me at (561) 640-8711.

Sincerely,

Patricia J. Diehl
Vice President

PJD:bbb
Attachment

c: Alan Belt
Robert Storch

Letter 73 Continued

FROM OXBOW POWER CORPORATION

(MON) 06. 23' 03 07:57/ST. 07:55/NO. 3561232509 P 3

POTENTIAL MITIGATION COMMENTS

- 73-1 As stated in Appendix H of the 1993 Environmental Impact Statement (EIS), "...Note that there is no commitment to the specific wording of a Condition of Approval (COA)." That is to say, the Authorized Officer can adjust the wording for clarity. Some of the comments below are intended to clarify the intent of the condition or action required and make them feasible from a realistic implementable perspective. Also, it is noted that "the Authorized Officer" will choose among the measures at the APD stage to **mitigate the environmental impacts** identified in the site specific analysis. Many of the potential mitigations discussed do not mitigate the impacts as the EA shows there were no impacts to be mitigated. One should also note that these "potential mitigations," if taken together, create considerable constraints on the operator in terms of timing that are unnecessarily restrictive and do not add to additional environmental protection.
- 73-2 **AQ-1 (Table 2-8) - The blooie line discharge dust would be controlled during drilling by use of water injection or other acceptable methods. The line would be a minimum of 100 feet from the blowout preventer and directed into the blooie pit**
- AQ-1 (text) - If air or gas drilling, the operator shall control the blooie line discharge dust by use of water injection or other acceptable methods. The blooie line discharge shall be a minimum of 100 feet from the blowout preventer and be directed into the blooie pit so that the cuttings and waste are contained in the pit.**
- The wording in this table is inconsistent with both the text and Appendix H of the 1993 EIS from which it was derived. The Condition of Approval should use the appropriate language to clarify the meaning of this condition.
- 73-3 **WR-1 - No refueling or lubricating would take place within 100 feet of wetlands and other waterbodies or drainages. Hazardous materials, chemicals, fuels, etc., would not be stored within 100 feet of wetlands or surface waters.**
- This "potential mitigation" should include, "... unless the storage and refueling are within the pad area." The pad area is designed for chemical storage and refueling activities as the pad is sloped such that any spills would be sent to the reserve pit.
- 73-4 **WR-3 - Surface water flow and water quality data would be obtained on all drainages within a 1-mile radius of the proposed new drill areas within 3 months prior to commencement of drill pad construction. Surface water flow and water quality data would be monitored at these same sampling sites on a quarterly basis during drilling and on a semi-annual basis after completion of drilling up to the point where the BLM/USFS release the bond for the reclamation of the drill sites. All data collected would be supplied to the BLM/USFS within 1 month of measurement.**

Letter 73 Continued

FROM GXBOW POWER CORPORATION

(MON) 06. 23' 03 07:57/ST. 07:55/NO. 3561232509 P 4

73-4

The "potential mitigation" should apply to only perennial systems. Please clarify. Water Quality sampling can be very costly. The requirement that sampling take place within 3 months prior to commencement of drilling pad construction is too restrictive with no basis. It should be sufficient that sampling is done prior to drill pad construction. GEC is already considerably constrained by various dates leaving a small window for drilling, and this restriction of 3 months just adds to it unnecessarily. Sampling prior to drilling is more than sufficient, adequate and is consistent with COGCC requirements and industry standards; sampling for an indefinite period of time is costly in the extreme.

In many instances, it is not feasible to report water quality data within one month of measurement due to laboratory constraints. Please change to one month from completion of all laboratory analyses.

WR-5 – Groundwater intercepted during drilling would be analyzed for its major and minor constituents and TDS in accordance with guidelines to be provided by the BLM/USFS. If groundwater flow greater than 3 gpm is encountered during drilling, the stratigraphic horizon providing the water flow would be isolated with packers and tested for permeability.

WR-6 – Groundwater monitoring wells would be installed after the completion of drilling and well development in all exploration wells that experience groundwater flow of 3 gpm or greater. The monitoring wells would be installed in the stratigraphic horizon providing the groundwater inflow and would be sampled on an annual basis for constituents to be provided by the BLM/USFS.

73-5

There is no basis in the impact analysis presented to justify these onerous "potential mitigations." In point of fact, the EA concludes no impact to groundwater. Therefore, one wonders why there is a potential condition at all. The condition itself is rated as a "1" meaning it would minimize the potential impact to a *minor* degree.

The potential mitigation is beyond that required of other gas exploration companies. There is no basis for the flow rate of 3 gpm; no rationale as to what is expected to be accomplished by monitoring this or any other rate, no duration for monitoring. Indeed, short-term inflows of greater than 3 gpm may occur during drilling, yet there would be no consequence to local water resources. The cost of constructing and monitoring groundwater monitoring wells, with packer testing of multiple zones, would be large.

Technical difficulties are to be expected in isolating with packers to test for permeability in unconsolidated strata. The integrity of the well should not be compromised to assess water inflow particularly if it is in an interval that will not be tested for gas (i.e., unconsolidated or non-prospective materials. It is a very costly and unreasonable mitigation of a "potential impact." There is no mention in Appendix H of the 1993 EIS of anything of this nature and no justification for such a condition.

This "potential additional mitigation" should be eliminated as it is unnecessary, costly, and difficult to implement from a technical perspective. It is a burdensome condition

Letter 73 Continued

FROM OXBOW POWER CORPORATION

(MON) 06. 23' 03 07:57/ST. 07:55/NO. 3561232509 P 5

- 73-5 that does nothing to protect the environment but only serves to increase costs and difficulties in the exploration process on the operator.
- 73-6 ***WR-8 – Use of a reserve pit would only be allowed between June 15 and October 15. During the restricted period (after October 15 and before June 15), a closed drilling system would be required. If a reserve pit is used, all fluids would be pumped out and hauled to an approved disposal site off the National Forest. The reserve and flare pits must be reclaimed within one month of completing the proposed operations. The reserve pit would be lined with an impermeable liner with heat-treated seams and a minimum of 125 psi burst strength. During reclamation, the pit liner would be removed to a certified disposal site.***
- The "potential mitigation" of removing the pit liner is onerous and beyond what is typically done in the industry, required by BLM, or contemplated in Appendix H. This guidance was also provided in a letter from Alan Belt to Mark McCallister of GEC dated November 12, 2002, item 4F. "The liner shall be cut off at the mud level and removed to an approved disposal site." There is no justification for removal of the contents of the reserve pit and extracting the pit liner. In fact, this could lead to possible contamination. It is more appropriate to "fold and bury in the pit with a minimum of two feet of cover as stated in Appendix H. GEC believes the reference to liner disposal is for the liner above the pit and *not* to disturb what it is supposed to protect.
- This methodology (leaving the liner in place) is consistent with Appendix H, COGCC, BLM's letter and industry practice. Other requirements on removal of the contents and disposal of the liner may cause unintended environmental impacts.
- 73-7 ***WR-9 – A minimum of 2 feet of freeboard would be maintained between the maximum fluid level and the top of the berm. Pits would be designed to exclude all surface runoff.***
- It would be more appropriate to clarify as follows: "The well pad will be graded in such a manner so as to contain all storm events/spills and to prevent same from going downstream of the well pad. A lined sump may be utilized to contain such fluids. The well pad will be designed in such a manner so as to prevent storm runoff water from outside the well pad area from entering the pad." This is based upon the professional engineer's design in accordance with EPA's stormwater management guidelines and industry practice.
- 73-8 ***WR-10 – The flare pit may need to be lined, if any fluids would be produced to it.***
- Lining the flare pit is not in accordance with industry practice or any regulatory requirement. There is good reason for this, the liner material is flammable.
- 73-9 ***V-2 – Vegetation removal would be minimized by lopping and scattering slash to a depth of no more than 18 inches.***

Letter 73 Continued

FROM OXBOW POWER CORPORATION

(MON) 06.23' 03 07:58/ST. 07:55/NO. 3561232509 P 6

73-9 [Some flexibility for the operator to mulch some of the ground cover should be provided if this "potential condition" is included as a COA. The intent behind the mulch is to deal with materials that are too thick to be effective as brush/slash filters, such as 2" to 4" branches. These can be effectively chipped and placed as mulch to maximize the amount of natural organic material returned to the well site and hold moisture in the soil. Mulching is part of Best Management Practices for the stormwater plan. Usually mulch has to be imported to the site. The use of onsite available materials should be considered an improvement.

73-10 [***V-3 – A surface reclamation bond would be required to ensure drill sites are returned to pre-existing land use.***

GEC already provides bonds to two agencies. This additional bonding is unnecessary and burdensome. The proposed additional bonding is open-ended, and there is no guidance as to how or who will determine the amount. If the agency elects to impose an additional bond, GEC should be in a position to discuss the assumptions that go into this bond to assure the amount is fair and reasonable. In this case wording, such as, "A surface reclamation bond would be prepared in consultation with the applicant" is appropriate.

73-11 [***FW-5 – Drilling and completion activities at the Leon Lake #4 and #5 sites would not be scheduled at the same time in order to minimize the effects of motorized traffic on elk summer range.***

This requirement is unduly burdensome and not justified given the short duration and limited time period for drilling and completion the limited number of wells and considering the vast area available for elk habitat effectiveness. The impact analysis shows that the proposed action would result in a 1% reduction in elk habitat effectiveness which only represents a slight reduction compared to existing conditions. The HabCap model, although a useful planning tool, like all models, is not so precise. This small purported change to existing conditions should not be sufficient to allow for the unjustified "potential mitigation."

73-12 [***HZ-4 – Final written certification is required that any residual materials left in the reserve pits do not contain hazardous constituents at concentrations that would meet the definition of a hazardous waste as defined under RCRA.***

No certification is provided by EPA on hazardous waste. The wording should be, "An analysis would be required ..."

Letter 73 Continued

FROM: OXBOW POWER CORPORATION

(MON) 06/23/03 07:58/ST. 07:55/NO. 3561232509 P 7

COMMENTS ON EA

- 73-13 [A review of the air quality section shows the projected impacts well above exploration emissions. Use of AP-42 factors are too conservative and unrealistic. Real values would show that the emissions are insignificant. In fact, exploration activities are exempt from Air Pollution Emission Notice (APENS) under Colorado Dept. of Public Health and Environment Regulation No. 3, Part A, Section 11.D.1.III. Minor source permitting would not be required.
- 73-14 [**P. 3.3-11; Hawksnest**
Sanborn Creek Mine is not owned by GEC, but by an Oxbow affiliate, Oxbow Mining LLC.
- 73-15 [**P. 3.4-14; 2nd and 3rd paragraphs**
Water quality samples were collected by Cordilleran Compliance Services, not Wright Water Engineers (WWE). WWE interpreted the data.
- 73-16 [**3.4-21; Bull Park Proposed Well**
The domestic water well (SEO #207078) within 1 mile of the proposed drill pad is non-existent. Cordilleran Compliance Services attempted to sample this well and found existence of the well to be in error. Therefore, there are no domestic wells within 1 mile of Bull Park.

Letter 74

Celia Roberts
P.O.Box 5
Paonia, CO 81428

Project Coordinator
P.O.Box 1030
Paonia, CO 81428

Greetings,

74-1

As a deeply concerned citizen I feel compelled to write with a plea to not grant approval of the most recent proposal from Gunnison Energy Corporation. The ramifications from this action could be catastrophic for the North Fork Valley unless adequate study has been done on the possible impacts of gas development.

Without this study and without setting standards for gas exploration in our watersheds, there is extreme risk to our water, to our environment and to our safety, with countless large trucks using our narrow roads.

74-2

To add a personal note, I moved here over ten years ago because of the beauty and tranquility of this valley. I know these factors do not enter into your decisions. However, I invite you to consider how you would respond if a large gas station were proposed to be built next to your home, without adequate safety measures built in, with the possibility of contaminating your domestic drinking water, with thousands of vehicles coming and going in an area that had heretofore been quiet and safe. How would you respond? With acquiescence or by speaking out in every way you could to insure the continuation of your quality of life. I dare say you would take action.

74-3

Please give careful consideration to this important decision as it will affect not only the lives of those living in this area as well as the wildlife in the impacted area, but also the lives of generations to come.

Sincerely,



Celia Roberts

PAONIA RANGER DISTRICT
ACTION DATE

JUN 24 2003

DISTRICT RANGER _____
MINERALS _____
CONSERVATION _____
RANGE _____
SPECIAL AGENT _____

Letter 75



ADDITIONAL DISTRICT
ACTED
DATE
JUN 24 2003
DISTRICT CLERK
MINERALS
LAND/ENG
RANCH

360 Main St. • Delta, Colorado 81416 • Phone (970) 874-7566 • Fax (970) 874-8776

June 23, 2003

Robert L. Storch
Forest Service Supervisor
United States Forest Service
2250 Highway 50
Delta, CO 81416

HAND DELIVERED

Re: Comments on Environmental Assessment for Gunnison Energy
Corporation's Proposed Exploratory Gas Drilling Project

Dear Mr. Storch:

The City of Delta submits the following comments on the proposed EA:

- 75-1 [1. The EA discusses the impacts of a project consisting of eight exploratory wells. However, it is the City's understanding that this is a precursor to a proposed project of as many as 600 production wells along the Grand Mesa. Obviously, the impacts of this project are minor compared to those associated with the more ambitious production project. The City understands that the EA has taken the position that, because a subsequent EA will be necessary for the production project, considering impacts associated with the production project, is not necessary with respect to this EA. Nonetheless, some of the City's concerns are related to the fact that it expects a large production project to involve wells in the vicinity of the City's Grand Mesa water system, which consists of numerous reservoirs, springs, pipelines, and ditches, which collect, store, and transport water from the flanks of Grand Mesa south to the City and to other places of use. As such, the City has a keen interest in how carefully impacts to surface and underground water are evaluated and mitigated. Therefore, the City hereby indicates that it supports monitoring and mitigation measures proposed for surface and ground water, to protect both the quality and integrity of the supplies.
- 75-2 [
- 75-3 [
- 75-4 [2. The City has some concern that the potential effects of hydrofracturing on water supplies and ground water has been too casually minimized. It would seem appropriate that follow up testing and analysis should required to confirm these assumptions.

Letter 75 Continued

Robert L. Storch
June 23, 2003
Page -2-

3. The main impact in the City from this project is attributable to the increase in truck traffic through the City of Delta, particularly at the intersection of US 50 and SH 92, and at the nearby railroad crossing. These concerns include the following:
- 75-5 a. Traffic congestion. The V/C ratio for the SH 92/US 50 intersection is at or above .70 at the present time. Convenience of traffic flow at that intersection has been further hindered by construction activities in the area. Although it is recognized that the impact from this project will be of a relatively short duration, it could be significant depending upon traffic scheduling. Accordingly, the City requests, as a mitigation matter, that the project sponsor be required to consult with the City in advance and on a continuing basis concerning scheduling of project traffic in order to avoid difficult situations and times.
- 75-6 b. Increased truck traffic also produces the potential for increased accidents or hazardous material and fuel spills. The City requests that the project sponsor be required to advise the City of its plans for spills and consult with the emergency coordinators for the City and the County prior to initiation of the project.
- 75-7 4. The City, of course, shares other concerns with environmental impacts, such as the visual impacts, particularly in regard to the ambitious production project. Accordingly, it supports the various mitigation measures proposed in the EA. The City suggests that perhaps the project sponsor should be required to perform a follow-up report to determine if the various mitigation factors proved to be adequate.
- 75-8

Respectfully submitted,

CITY OF DELTA

By 
City Manager

RE/lw
cc: GEC Exploration Drilling Project
P.O. Box 1030
Paonia, CO 81428

Letter 76

Randy & Sally Owen
P.O. Box 758
Paonia, Co. 81428

Project Manager

76-1

We are against any Exploratory
C.B.M. Gas Drilling on Forrest Service Land
or the Grand Mesa Area.

Randy & Sally Owen

PAONIA RANGER DISTRICT
ACTION DATE

JUN 23 2003

DISTRICT RANGER

MINERALS

LANDS/ENG

RANGE

WILDLIFE

DA

CBM/DBM ASST

LEO

TIMBER

Letter 77

June 23, 2003

To whom it may concern:

77-1 I am totally opposed to the development of
77-2 Coalbed Methane on the GRUG, or anywhere in
the North Fork Watershed. I'm concerned
about water quality, air quality, degradation of
the watershed, and degradation of our quality of life.
77-3 The beauty & tranquility of this valley is priceless,
and Bill Koch doesn't really need any more
Money.

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MINERALS ✓ _____
LANDS/ENG _____
RANGE _____
WILDLIFE _____
GDA _____
JBM/DBM ASST _____
LEO _____
TIMBER _____

Sincerely,
Lise Jones
P.O. Box 822
Paonia Co 81428
970.527.5339
Lisejones@aol.com

Letter 78

To Whom it may concern

78-1

I Am writing this letter urging the Forest Service to deny the drilling of All Exploratory wells by Gunnison Energy. This proposal has so many negative possibilities that ANY reasonable assessment would conclude it is not viable. Negative Aspects may include but are not limited to. 1. Road building and site disturbance. 2. Injection of toxic chemicals into the ground. 3. Disruption of Elk + Deer calling areas 4. Viewshed impacts 5. Contamination of groundwater 6. Noise and Dust and Air pollution. 6. Traffic and road damage to the adjacent county Roads.

78-2

I Appeal to the Forest Service to do the right thing and protect the forest. Please do a thorough EA Environmental Assessment, using independent research. We are all aware of the political climate relating to energy development. I urge you to be steadfast in your requirements and assessments concerning Gunnison Energy. Air pollution, roads, dust, Eye sores, water pollution, Toxic chemicals, wildlife degradation isn't this enough to say no way?? I believe that it is and I think you do also. Tell them to forget it.

PAONIA RANGER DISTRICT
ACTION DATE

JUN 24 2003

DISTRICT RANGER

MINERALS

LAND/ENG

WATER

WILDLIFE

PLANT

SOIL

CLIMATE

OTHER

Thank you
Wilson Groome
1347 2700 Rd.
Hotchkiss, Co. 81419
970-835-3011

Letter 79

6/23/03

Dear Project Manager,

79-1 [Keep these oil + gas wells out of the
Grand Mesa. The road impact alone is enough
to make big + detrimental changes. The whole
deal stinks! Keep them out!

Phil Volkhaus

P.O. Box 111 Paonia Co 81428

Letter 80

06/23/2003 02:56 9705275555

MAXWELL ALEY

PAGE 01

MAXWELL ALEY
Attorney and Counselor at Law

3937 P 10 Lane
Paonia, CO 81428
(970) 527-5651
Fax: (970) 527-5555
Email: aley@paonia.com

June 23, 2003

Project Coordinator
GEC Exploration Drilling Project
P.O. Box 1030
Paonia, CO 81428

FAX: 527-4151

This is to express the opposition of myself and family of five to approval of the GEC 8-well "exploration" project on the South side of Grand Mesa with the limited information now available to the Federal Government decision makers. We live on Pitkin Mesa near Paonia and operate an agricultural enterprise using Fire Mountain Canal water and Pitkin Mesa Pipeline Domestic water. We comprise a family: my wife and I, three adult children and an 11-year old grandson.

80-1

Our first concern is the safety and integrity of our water supplies. We think that the Environmental Assessment cannot be complete until it has taken into consideration the final report of the water study being conducted by the Colorado School of Mines, which was ordered by the Delta County Commissioners.

80-2

Second, we are concerned about all the other off-site impacts. The EA has only considered the impacts of the eight "exploratory" wells, but if full field development takes place, as GEC plans if the test wells are "positive", and 600 or more wells are completed with attendant infrastructure, the impacts will "shock and awe" our communities by the practical destruction of a prime recreation area, of tourism, of the hunting industry, of tranquility in our communities with a gigantic amount of heavy truck traffic and the imposition on us of a great deal of noise and air pollution. Needless to say, we fear this impact much more than the remote possibility of terrorism from foreign persons. Homeland Security will not help us here.

80-3

What kind of reaction would you expect when our homeland is so threatened? Don't we deserve at least as much protection and consideration as the oil and gas industry? The expected dollar income to the government will never compensate us locals.

80-4

Therefore, I ask that you proceed most deliberately, patiently and carefully to assess the cumulative impacts of this largest industrial development in Delta County's

Letter 80 Continued

06/23/2003 02:56

9705275555

MAXWELL ALEY

PAGE 02

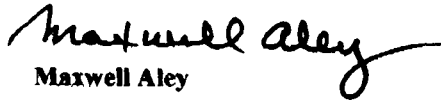
**Project Coordinator
June 23, 2003, Page two**

80-4

80-5

history. If you find it will be incompatible with the well being of our existing communities, which I think you will, then please recommend denial or stringent standards and mitigation , even in the face of the tremendous pressure for development coming from Washington and the oil and gas industry. Remember that we all have to live together here, you and us. And I know our communities will support your opposition when the citizens are fully informed of the adverse impacts and what would be a drastic change in our way of life and damage to our property interests.

Sincerely,


Maxwell Aley

Letter 81

SENT BY: ;

9705273422;

JUN-23-03 2:04PM;

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June 23, 2003

US Forest Service
Coalbed Methane Drilling Project Coordinator
P.O. Box 1030
Paonia, CO 81428

Dear Sirs,

81-1

As a local resident, I am deeply concerned about coalbed methane drilling activities. Drilling into coalbeds should not take place without a long-term, comprehensive understanding or at least study of effects on the area's hydrology, air quality and wildlife. The BLM and Forest Service should be taking the lead in this effort, and examining the cumulative impacts of all activities related to energy extraction, and not just evaluating each project individually. The current studies are incomplete and rely on outdated information.

Several things that must be considered before coalbed drilling proceeds:

81-2

1. At a minimum, the BLM and the Forest Service MUST require bonds that cover the FULL costs of reclamation and any possible environmental accidents at the extraction sites.

81-3

2. The best technology and mitigation efforts MUST be required at all drill sites and access routes, including efficient, low-emission generators, noise mufflers, dust suppression on all access roads, use of energy efficient pumps, and fencing which will prevent wildlife from becoming trapped in drilling pits.

81-4

3. This forest already supports energy development with three underground mines. The forest's multi-use mission must be suitably diversified, supporting public interests other than energy development. The Forest Service should be demonstrating support of natural resource values, not undermining them.

As a public citizen and a local resident who will be greatly impacted by these drilling activities, I urge you to require the basic minimums stated above. Support of this wildly misguided project will cause great environmental harm. We will be paying the price for this foolishness for several generations.

Sincerely,

Brian Felfarek
P.O. Box 1225
Paonia, CO 81428
(870) 527-3422

Letter 82

JUN 23 2003 12:27PM HP LASERJET 3200

P. 1

Randy Litwiller
PO Box 535 Somerset, CO

June 23, 2003

FAX: 527-4151
Project Manager
GEC Exploration Drilling Project
P.O. Box 1030
Paonia, CO 81428

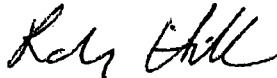
Dear Project Manager,

82-1

I am writing today to comment on the Gunnison Energy Exploration Drilling Project. As a Delta County resident I care about my community's water, air quality and economic health as much as any person. The Environmental Assessment prepared by the Forest Service does an excellent job in assessing the impacts of the exploration wells. It concludes that the impacts will be minimal to non-existent.

Please resist emotional, and often time uniformed, requests to halt or saddle the exploration with unnecessary and expensive mitigations.

Thank You,



Randy Litwiller

Letter 83

JUN-23-03 12:12 PM WESTLINE.GRAPHICS

970 856 3910

P.01

Brad Burritt and Danielle Carre
1207 ~~W~~ 2490 Ln.
Hotchkiss, CO 81419
970 835 -8805

Project Coordinator
EA for Gunnison Energy Corporation Proposal
Paonia, CO 81428

83-1

Two weeks ago our family hiked to the top of Leon Peak. We surveyed the beautiful views, and pointed out to our two boys where the landscape will be drastically altered should the proposed gas drilling occur. We are discouraged by the thought that these vistas will be altered for generations to come. We do not hike to the top of Leon Peak often, but we do look up at the flank of Grand Mesa every day. We watch the seasons change, the daily changes in weather and also to remind ourselves of the place we can escape to from the hectic activities of this valley. The proposed drilling will change the beauty of these views. We will see fragmented, raw scarred areas. The Forest Service Environmental Assessment underestimates how the drilling will affect our view shed. Cleared areas, new roads and the constant movement of trucks in and out of the area will cause a precipitous decline in the view shed quality.

83-2

We are not comfortable with the assessment done on the impacts to the surface water of the area. The assessment relies heavily on the assumption that everything will occur exactly as planned as indicated by the extensive use of "*is not expected*" throughout the document. Mitigation plans should an accident happen are not well detailed, vague assurances are all that are offered. Our water comes from Surface Creek. We are not satisfied with the Environmental Assessment's description of how sediment load, fertilizer runoff and chemical spills will be mitigated should there be a significant increase of these problems in these surface waters. Heavy thunderstorms during drilling activity will cause a tremendous increase in runoff. Water monitoring is mentioned, but periodicity and duration are not detailed. Short and long term impacts of increased sediment load and chemical spills are not described.

83-3

We do not believe that there is an adequate understanding of the hydrofracturing and drilling on the Mesaverde formation. In fact the assessment itself describes this lack of understanding as stated on 3.4-19.. "the impact of hydrofracturing *depends largely* on two factors 1) the structural grain of the rocks being hydrofractured and 2) the stress field operating on the rocks at the time of hydrofracturing. *Neither of these factors is known for the Mesaverde formation.* However, it is *not expected* that hydrofracturing effects would extend beyond 500 ft. Sounds like a risky gamble on our water resources based on inadequate information!

83-4

The reclamation of drilling sites is also another issue we felt was not adequately detailed. First we believe that both the BLM and the USFS should require bonds that cover the full

Letter 83 Continued

JUN-23-03 12:13 PM WESTLINE.GRAPHICS

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P.02

83-4 [cost of reclamation. We think the assessment is vague in terms of completion requirements for reclamation. The document states that reclamation should occur within 60 days of well completion or as soon as appropriate spring or fall planting season - unless an extension is granted (possible reasons for extensions are not described). The duration of well construction and period of construction is not defined. The limitations of the planting season on Grand Mesa could result in a long term exposure of cleared land to erosion and weed infestation. This will impact our surface streams.

83-5 [The impacts on the wildlife of the area should be thoroughly studied before this type of drilling is allowed in the area. Localized pollution, sediment load in streams, localized clearing of land, heavy traffic in the area, the use of flaring will impact the wildlife of the area as the EA indicates. We ask that the forest service do a more extensive study of the possible impacts this drilling will have on the wildlife of the area.

83-6 [The proposal of Gunnison Energy Corporation is one that will have a tremendous impact on our public and private lands, roads and waterways. There is still not enough information available concerning the array of impacts that will be placed on the environment and the community and how to mitigate these impacts. We ask for a more thorough Environmental Impact Statement on the proposed coal bed methane drilling on our public lands.

Thank you,


Danielle Carre and Brad Burritt